

Government Affairs Update

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LOCAL

Larimer County

Safer at Home Implemented April 27: Larimer County transitioned to Safer at Home orders on April 27. According to the County's guidelines, showings are allowed but homes must be cleaned and disinfected between showings. Open houses are not allowed. Real estate and other field service professionals must follow the State's guidelines on social distancing and the use of personal protective equipment (PPE). <https://www.larimer.org/health/communicable-disease/coronavirus-covid-19/safer-home-phase-covid-19-pandemic-larimer-county-0>

County Reschedules NISP Hearings: The Northern Integrated Supply Project (NISP) 1041 permit application submitted to Larimer County by Northern Water was judged complete by Larimer County staff on March 18, 2020, with Northern Water also notified on March 19th. Public hearings were tentatively scheduled to begin in May with the Larimer County Planning Commission and have been postponed to accommodate the health department's public events guidelines given the COVID-19 emergency.

The first hearing is scheduled before the Larimer County Planning Commission at 6 p.m., June 24, 2020 in the Larimer County Courthouse Offices Building, 200 W. Oak St., Fort Collins in the First Floor Hearing Room. The first meeting will be dedicated to staff and applicant presentations only. Public testimony will begin on July 8.

The Board of Larimer County Commissioners will hold their first hearing on the matter at 6 p.m., on August 17, 2020 in the Larimer County Courthouse Offices Building, 200 W. Oak St., Fort Collins in the First Floor Hearing Room.

STATE

Safer at Home: The Safer at Home order went into effect on April 27. Specific guidance for real estate and field service professionals was posted shortly thereafter. Some counties extended their Stay at Home orders (Boulder, Denver, Jefferson, Arapahoe, etc.) until May 9 with stricter requirements.

Safer at Home still requires social distancing, the use of PPE (personal protective equipment) and disinfecting protocols and other practices. Showings are allowed with strict guidelines. However, brokers should also refer to their managing brokers for specific policies. <https://covid19.colorado.gov/safer-at-home/safer-at-home-field-services-and-real-estate>

\$3 Billion Budget Shortfall? Like local governments, the State of Colorado is anticipating budget deficits as a result of the COVID-19 pandemic. According to the *Colorado Sun*, the General Assembly's Joint Budget Committee must consider "massive budget cuts." The Governor's Budget Office projects \$3 billion in lost revenue for the current fiscal year and into 2020.

Cuts will be across the board and affect all State agencies. Unfortunately, discretionary spending is limited so impacts could affect K-12, higher education, transportation and other key services.

Help for Small Businesses: The Colorado Office of Economic Development and International Trade maintains a working list of alternative funding for small businesses affected by COVID-19. The list includes credit card deferral programs, small bank loans and local and regional disaster assistance programs. View the list here: https://docs.google.com/spreadsheets/d/18B-15Rz8XE14Bn9LdQ1a8oDOpi6kKB1p0v2L_qQtVBE/edit#gid=987142964

NATION

FHFA Delivering Certainty: On May 14 National Association of REALTORS® President, Vince Malta, issued a statement of appreciation after the Federal Housing Finance Agency unveiled a new repayment option for homeowners struggling financially in the wake of the COVID-19 pandemic. Under the proposal, Fannie Mae and Freddie Mac will offer borrowers currently in forbearance the ability to repay missed principle and interest when their home is sold, refinanced or at maturity.

The FHFA's new program creates "payment deferral option for borrowers." Payment deferral takes the missed mortgage payments and puts them into a payment due at the sale or refinancing of the home, or at the end of the loan. The borrower's monthly mortgage payment will not change. Mortgages that exercise the payment deferral option will remain in Enterprise Mortgage-Backed Securities, subject to the terms of the trust agreements. However, the borrower is responsible for taxes and insurance while in forbearance.

NAR Asks for COVID & Mortgage Finance Website: NAR joined a coalition of real estate and consumer groups to send a letter to the Treasury, HUD, and CFPB calling on them to create a single, central website for consumers to find information on how the CAREs Act affects their options as homeowners and renters. This site would collect information on forbearance, foreclosure and rental assistance into a single, intuitive website instead of the current diaspora of information across multiple regulators and agency websites.

Phase 3.5 Legislation Enacted, New Tranche of \$310B Provided for PPP: On April 24, President Trump signed a \$483B package which is generally referred to as the Phase 3.5 coronavirus package. The bill includes \$310B in additional funding for

the Paycheck Protection Program (PPP), \$60B in funding EIDL small business grant/loan programs, \$75B for hospitals, and \$25B for testing efforts. Notably, of the \$310B PPP funding, \$30B is for mid-sized depositories (i.e., \$10B to \$50B in assets) and \$30B is for community financial institutions and smaller depositories (i.e., <\$10B in assets).

Effectively, the statute creates three separate funding pools and it is unclear at this stage how the SBA will police those volumes. The initial tranche of PPP funding was exhausted in roughly two weeks and it is expected this tranche will be disbursed in a relatively similar time period, which suggests that Congress will be forced to consider a third tranche of PPP funding as part of the forthcoming Phase 4 negotiations.

More information on these programs is available here:

<https://www.sba.gov/disaster-assistance/coronavirus-covid-19#section-header-5>